

CALEDON



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Partnerships: The Good, The Bad and The Uncertain

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What is a Partnership?

'Partnership' has become the word of the week.

Not a day goes by without public mention of some high-profile new partnership – the Canadian government working with provincial partners on a new child benefit; government, business and the voluntary sector collaborating on an internship program for youth; business partners such as airlines and hotels offering 'integrated' travel packages throughout the world. The Natural Sciences and Engineering Research Council of Canada and the Conference Board of Canada have just announced the 1998 'Synergy Awards,' recognizing excellence in university-industry research and development (R&D) partnerships.

And a major Canadian bank recently advertised that it considers its customers to be its 'partners.' If that's true, I sure would like to share in the profits.

Use of the term in such a loose way is unfortunate. The concept of 'partnership' is intended to have real meaning – which appears to be getting lost through misuse and overuse.

What has created this obsession with partnership? Perhaps the term 'partner' has intrinsic positive value. Most people seek a partner in their personal life. In the world of work, partnership implies a cooperative relationship and implicitly may reflect well on the involved parties. Or perhaps by embracing the partnership mantra, organizations are keen to portray the image that they are in step with the times – however loosely they interpret the term.

So what is partnership? In some sectors, the term carries a legal connotation (e.g., a business partnership). But partnership used more broadly generally refers to a voluntary collaboration between two or more organizations to achieve clearly identified goals.

Health Canada defines partnership as a voluntary arrangement between two or more parties that agree to work cooperatively towards shared and/or compatible objectives and in which there is:

- shared authority for, and responsibility and management of, the work
- joint investment of resources (e.g., time, work, funding, material, expertise, information)
- shared liability or risk-taking and accountability for the partnered project
- collaboration on common causes
- mutual benefits, often referred to as 'win-win' situations [1996: 2].

Partnerships sometimes are discussed as though they are alliances within the same sector, or between different sectors, in a defined geographic area. But these arrangements also can include parties from different communities, provinces or countries. They can be regional, national or international in scale.

Because the term is being bandied about so loosely, it is important to be clear about the relationships that these arrangements exclude. Simple mediation or negotiation between organizations does not comprise a partnership, although these skills are essential to the success of any collaborative arrangement.

Nor do partnerships include dialogue among organizations for the sole purpose of information exchange. And they certainly do not involve the relations between the customers and managers of a national bank. In short, there is no partnership without a sharing of risk, responsibility, accountability and benefits [Frank and Smith 1997: 7].

the phases of partnership

A partnership can be understood as an entity which assumes a life of its own. Any given partnership can be examined from a life-cycle perspective that involves four phases: seed, initiation, execution and closure/renewal [Long and Arnold 1995: 10].

At the seed phase, ideas are explored and the common work or project is conceptualized. Initiation involves preliminary steps such as securing funding, setting out a workplan and negotiating the terms of the working agreement. During the execution phase, the designated tasks are carried out. Closure comes upon completion of the identified goal(s) – although the partners may decide at that point to carry on with their work or to embark together upon a related or different goal.

A partnership also can be understood as a working arrangement that progresses through several logical and sequential steps. These relate to vision, goals, membership, commitment, action plan, roles and responsibilities, communication, resources, evaluation, revision and closure [Frank and Smith 1997: 25].

A *vision* is a statement of the ideal picture for the future. *Goals* are the desired outcomes of the partnership. *Membership* refers to the parties that comprise the collaborative arrangement. *Commitment* is embodied in the agreement – which may be written or verbal – to work together. An *action plan* sets out the steps required to reach the desired goals. *Roles and responsibilities* identify who will do what; a *communication plan* may be developed that determines how information will be shared both within and outside the partnership. *Resources* are the knowledge, information, time, expertise and money required to carry out the work. *Evaluation* involves an assessment of how well the partnership fared relative to the goal(s) it sought to achieve. *Revision and closure* refer to the actions which summarize the lessons learned and which end the relationship (although selected or all partners could decide to continue working together in the same or related area) [Frank and Smith 1997: 25].

Our Interest in Partnership

Caledon's interest in partnership stems from our mandate of seeking practicable solutions to reduce poverty and proposing policies that promote economic and social well-being. Our work to date has focussed primarily upon the role of government and publicly-supported social programs.

A national system of social security evolved in Canada in the years following the Second World War. The various programs that comprised the social security system were an antidote to the hunger and deprivation that pervaded the country in the 1930s. Social programs grew out of the economic devastation and social despair of the Great Depression and wartime national mobilization.

Canada's federal government played an especially important role in the postwar period. A hard lesson of the Depression was that the existing social infrastructure was inadequate to meet the challenges posed by very high unemployment. Charities and local governments simply did not have the resources to address widespread economic and social needs. Many municipalities went bankrupt trying to pay skyrocketing welfare costs.

The social policy blueprint of the postwar era was predicated upon a healthy economy and a labour market which provided relatively stable and secure employment. But the economy has undergone fundamental restructuring in the face of technological change and the globalization of markets. There has been a dramatic shift in the labour market with a rapid rise in the growth of nonstandard employment – i.e., work of a casual, contractual and part-time nature. The labour market is far more insecure – with higher rates and average duration of unemployment.

An unstable and insecure labour market, combined with changing family structures and an aging population, have created unprecedented demands upon social programs. While the pressures on social programs have grown, their foundation has been shaken by major funding cuts and structural changes [Battle and Torjman 1995].

Cutbacks to social programs and public sector downsizing have been justified under the guise of 'rethinking' government. The public sector is now seen to have a less important role to play in promoting economic and social well-being than it did in the past. We disagree with this conventional 'wisdom.'

The role that government plays in redistributing income through income taxes and transfers is crucial in narrowing the growing gap in market earnings between rich and poor Canadians – a gap that has been kept in check only because of government income programs and a progressive income tax system. The insecure work typically associated with nonstandard employment underscores the more-important-than-ever redistributive role of the state.

Canadians need social programs now just as much as they did in the past. Public health care, income security programs, social services and employment programs are required to counter the inher-

ent inequalities of the market economy. Social programs provide a social infrastructure that is crucial to Canada's economy and important to our competitive advantage in the global economy.

As governments cut back on publicly-funded social programs, they are looking increasingly to the voluntary sector to 'pick up the slack.' This expectation is unrealistic. The voluntary sector can never replace a strong public sector. The 'communitization' of responsibility for such problems as unemployment, poverty and family violence is not the answer. But the voluntary sector and partnerships, in particular, can help complement public policy with an on-the-ground approach that seeks local and immediate solutions to economic and social problems.

Similarly, in the environmental field, partnerships are not likely to – and should not be expected to – replace traditional regulatory processes. Voluntary action is a complement and supplement to regulatory action. While some companies would like to see fewer regulations, such a reduction would be inappropriate until a reliable system of voluntary action is in place [Long and Arnold 1995: x].

Our challenge is to strengthen the crucial role of the public sector by advocating social policy reforms while seeking additional and more immediate solutions to complex social, economic and environmental problems. The Caledon Institute has done some research on a framework for social policy within the context of sustainable social policy. While there is no commonly accepted definition of this term, it is rooted in international thinking on sustainable development [Torjman 1996].

Sustainable development is built on the notion that there are intrinsic links among social, economic and environmental well-being. Within a sustainable development framework, solutions to complex problems should be developed through multisectoral dialogue and collaborative approaches. Partnerships provide a means of cross-sectoral bridging. "Voluntary initiatives and the particular segment of these that we call 'partnerships' represent a promising and imaginative approach to solving many of the priority setting, equity and efficiency problems that society identifies when it builds a strategy based on sustainable development principles" [Long and Arnold 1995: 28].

Social Partnerships Project

In 1995, the Caledon Institute embarked upon a Social Partnerships Project, with support from The Trillium Foundation, to explore the concept and practice of social partnerships. We set out to identify various partnership arrangements throughout Canada, explore their strengths and weaknesses, and disseminate this information.

In order to narrow the scope of our work, we defined social partnerships as *strategic alliances in which private business and nonprofit community groups work together to promote economic and social well-being*. While these two players were required as a minimum to meet our definition, the partnerships we studied also involved other sectors, including government and educational institutions.

Economic and social well-being encompassed a range of areas: community economic development, training, literacy, child care, family violence and services for seniors.

We selected this focus because we were uncertain at the outset of the project about the breadth of the field. In retrospect, we realize that many of our findings apply broadly to partnership arrangements, regardless of the sectors involved. We did find, however, that there are some unique problems in working with the private sector in particular.

In embarking upon this project, we did not select a statistically significant or representative sample of partnerships involving different types of business, project or sector. Rather, our primary task was to explore the scope of activity throughout the country, identify some key players and determine what could be learned from this front-line experience.

Types of Partnerships

There is no single model of partnership. Each is a unique entity with distinct players, purpose and methodology. These differences make it difficult to set out a common classification for partnerships. In fact, it may not even be necessary to have a uniform typology in this field. A loose framework is employed in this paper simply to provide some conceptual ‘neatness’ to what is actually a wide range of activity.

Several typologies have been presented in the literature to help understand the scope of partnerships. These arrangements can be grouped, for example, on the basis of the purposes they seek to achieve: preemptive, coalescing, exploration and leverage partnerships [Long and Arnold 1995: 61].

Preemptive partnerships attempt to defuse a situation that is currently or potentially hostile. *Coalescing* partnerships bring together parties that depend on each other to accomplish their goals but that typically compete for projects and resources. *Exploration* partnerships research or investigate issues of joint concern; these collaborations often involve parties that have not worked together in the past. *Leverage* partnerships are mutually beneficial arrangements that allow each party to make a modest investment in return for relatively high social, political or financial return [Long and Arnold 1995: 61].

Partnerships also can be classified by the processes they use: consultative or advisory, contributory, operational and collaborative [Frank and Smith 1997: 10]. The purpose of *consultative* partnerships is to receive public input around change or to gather ideas for future policies. *Contributory* partnerships are formed to benefit a specific organization or the community more generally. *Operational* partnerships are work-sharing arrangements in which the components of a given task are delegated to specific parties. *Collaborative* partnerships are set up to share resources, risks and decision-making.

Caledon grouped the partnerships we studied into four main categories based on the primary method of change: public education, social marketing, community investment and social change. The

simple donation of money or in-kind resources, such as computer equipment, is not considered to be a partnership according to the definitions earlier presented. The initial contribution of money or in-kind resources subsequently can evolve into a partnership when there is a contribution of time, expertise or direct involvement in the issue being addressed.

i. public education

Public education partnerships refer to strategic alliances between groups or organizations which seek to raise awareness around a social, economic or environmental concern. As part of the Social Partnerships Project, the Caledon Institute undertook to produce a video on partnerships. While the film showcases various alliances between business and nonprofit groups, it represents in itself a public education partnership.

The video profiles the work of three very different partnerships spearheaded by the Canadian Women's Foundation (a national organization based in Toronto, Ontario), Chevron Canada Resources (an oil and gas exploration company with headquarters in Calgary, Alberta) and the Community Opportunities Development Association (located in the Waterloo Region of Ontario). The film was produced in association with the three profiled organizations as well as CBC-TV, Canada's national public broadcaster, and two federal government departments (Human Resources Development Canada and Canadian Heritage).

Our findings on the strengths, weaknesses and uncertainties of partnerships include our own experience in embarking upon and sustaining the arrangement that gave rise to this film. We know first-hand that these alliances are not easy to start or maintain. On some days, it would have been simpler to go it alone and not worry about the complex communications, accountability networks and the keep-everyone-happy work required to sustain a partnership. But despite the stresses, we know in retrospect that we never could have achieved this quality of production on our own. Nor could we have reached the wide range of audiences that our diverse partnership has made possible.

ii. social marketing

Social marketing is the one of the most common forms of business/community partnership. Social marketing refers to an arrangement in which a business agrees to promote a social cause as part of its marketing strategy. Corporate involvement helps raise awareness about the problem and typically generates funds for the designated cause. At the same time, the business contribution creates a positive image in which it is seen to care about the issue by adopting and promoting that cause.

This form of marketing is used extensively in the health field. For example, a major Canadian brewing company, Molson, actively publicizes and supports causes related to AIDS. A Toronto-based

AIDS group has noted that the company is an excellent marketer and can get messages out more effectively and to a far bigger audience than the group could reach on its own [Manifest Communications nd].

Imperial Oil and a national nonprofit organization staged a Safe Kids Canada campaign designed to provide information and raise money for preventing childhood injuries. Kellogg sponsored a campaign in which it donated \$1 to the Muscular Dystrophy Foundation for every box sold of a certain cereal. The Canadian Women's Foundation, a community-based group which is profiled in Caledon's video, worked with The Body Shop to raise awareness about domestic violence and to support services for battered women.

iii. community investment

Community investment is the third group of partnerships. In these arrangements, business makes a substantive contribution to the community through active involvement with a nonprofit organization. The involvement entails far more than contributing money or donating equipment; the business partner engages in the activities of the community group.

Workplace volunteerism is an example of community investment partnership. Corporate volunteers provide active leadership on boards and committees, offer professional skills and expertise, and help deliver services and programs. Employer support for volunteerism can range from advertising volunteer opportunities in company publications to allowing employees paid time off to participate in community functions and events.

From a business perspective, support for employee volunteerism allows companies to make a positive contribution to the community in which they do business and their employees live. Employees who volunteer find that they develop new skills, broaden their range of experiences, increase their understanding of community issues and develop new contacts.

Chevron Canada Resources (profiled in our video) is one of the most well-developed examples of workplace volunteerism in the country. The company has a policy which allows employees to volunteer for ten hours a year on company time. In addition, it will pay the fees for employees who participate in events sponsored by the company. It pays a registration fee of up to \$500 for employees involved in a sporting or walking event which raises money for a charitable cause. Employees who volunteer outside of work time can apply to receive between \$100 and \$1,000 for the charitable organization. The company also has an annual budget to support the activities of retired employees who volunteer.

Chevron Canada Resources helped spearhead the Calgary Workplace Volunteer Council which was launched with nine corporate members, the *ex-officio* membership of the Calgary Chamber of Commerce and the full membership of the Volunteer Centre of Calgary. A Charter was developed to give direction to the activities of the new organization. As a new entity, the Council had little profile and

so a launch event was planned with a local environmental group. Nearly 300 volunteers from the members of the Calgary Corporate Volunteer Council joined with Clean Calgary to recycle thousands of litres of paint [Seel 1995].

Workplace volunteerism also forms the basis of the business/education partnership between Albert School, an inner-city elementary school in Regina, Saskatchewan, and Wascana Energy, an oil and gas production and marketing company based in Regina. The partners collaborate on a range of activities: stay-in-school initiatives and student recognition; science and technology awareness and skill development; cultural awareness appreciation; and student exposure to career possibilities and entrepreneurial skills [Pante 1996: 31].

The Wascana example is one of hundreds of business/education partnerships that have sprung up across Canada. Despite the many exciting developments in this area, concerns have been raised about the potential dangers of these arrangements. There are fears about the 'corporatization' of the school system and the commercialization of education.

The presence of corporations in the school can be seen as a form of 'brand influence.' Clearly, there must be strict guidelines regarding the promotion of certain products within the curriculum or partnership activities. Some schools decide explicitly not to use the partner-company products within the partnership arrangement. Rather, they engage the time, expertise and skills of the staff. Several employees at Chevron Canada Resources, for example, volunteer in their children's schools; one employee teaches a math program that she helped develop.

Another concern with school/business partnerships arises from the fear that the active involvement of business will encourage governments to retreat from their role as the primary funders of education. This potential problem is a very real concern; again, it is essential to stress that the purpose of these partnerships – as with all social partnerships – is to bring additional and different resources to the educational sector. They are not intended to replace investment by the public sector.

iv. social change

Finally, business and nonprofit groups can engage actively in social change. These partnerships provide an important community service or tackle difficult problems such as family violence, unemployment or poverty. Social change partnerships can be categorized as either linking or parallel strategies [SEDI 1997].

Linking strategies help people adapt to the existing economic system by moving them into the mainstream economy. These strategies include housing subsidies, recognition of existing credentials, job accommodation, and training and job search. *Parallel strategies*, by contrast, seek to create economic and social structures outside of the economic and social mainstream. These strategies include alternative food and distribution systems, co-operative housing, and alternative banking and savings mechanisms

that are more inclusive and equitable than existing structures [Torjman 1998: 7]. The Dufferin Mall and the Montreal Community Loan Association are examples of linking and parallel strategies, respectively.

The Dufferin Mall in Toronto, Ontario, is situated within the catchment area of six schools. It had become a meeting place for teens. There was a growing incidence of crime and more frequent disturbances involving attacks on customers and store break-ins. The mall manager faced a difficult choice: Either he could turn the mall into a fortress with multiple security systems or he could address the problem in a more constructive way. He chose the latter route.

The mall management met with the schools in the area as well as the West-End Inter-Agency Network, a group of 12 youth-serving agencies. After discussions about the problem and possible solutions, a one-stop social services centre for youth was set up at the mall. Today, the centre provides individual and family counselling, information and referral, job training and community outreach. In addition to the youth centre, the mall merchants are involved in various programs which teach work skills to students and provide co-op placements. The mall also has become the base for a theatre group, sports groups and other activities for teens. This particular partnership involved a wide range of players: the mall management and merchants; staff, students and school administrators; social service and community organizations; local police; faith groups; and municipal government [Hall 1997].

The Montreal Community Loan Association (MCLA) is an example of a parallel strategy in which a community-based group sought to address issues of access to capital, unemployment and ownership of wealth. MCLA grew out of a locally-driven community economic development centre and was formed in response to the lack of capital for community members to create and own wealth. The individuals and organizations active in the centre set out an agenda based on the philosophy that they were the experts on the social and economic needs of their community [Evoy 1996].

Today, MCLA works with borrowers, individual and institutional lenders, and existing financial institutions to bridge the gap between those who need financial capital and those who wish to invest in community development. Low-interest loans are accepted from investors and the capital is used to make affordable loans to people – e.g., welfare recipients, single mothers, immigrants and refugees, and unemployed youth – usually denied access to capital by conventional financial institutions. Loan recipients are provided with technical assistance for developing business plans.

MCLA is seeking more links with the business sector as a source of loan capital and is involving corporate employees as mentors to the loan recipients. But MCLA functions as more than a source of capital. It also conducts community investment education. It is a place where individuals from diverse backgrounds – business owners, refugees, professors, single mothers and health workers – can come together to participate in the social and economic development of the community.

Our classification of partnerships into the four categories of public education, social marketing, community investment and social change is an arbitrary one. Clearly, the wide range of partnerships can overlap between categories – e.g., a public education strategy can turn into a social marketing venture;

a community investment partnership can evolve into a social change effort. Far more important than the classification or typology of partnerships are the lessons we learned from having explored these arrangements and from having engaged actively in the partnership which produced a video on this subject.

Lessons Learned

The good

Social partnerships have a number of inherent strengths: additional resources, holistic approaches, shared responsibility and alternatives to conflict.

i. additional resources

The resources that two or more partners can bring to a given problem are usually greater than one organization can marshal on its own. Resources represent far more than money. Partners can contribute staff and volunteer time; information, knowledge and expertise; contacts and networks; space and equipment; and other in-kind resources.

Corporations can ‘contribute’ national distribution networks, production of materials, advertising and marketing, and expertise in such areas as public relations, accounting or product development. Nonprofit organizations can provide knowledge, expertise and contacts around a given social, economic or environmental problem.

The need for resources is an important consideration for social partnerships in which one partner is a nonprofit organization. Most community groups and organizations – whether they are publicly or privately financed – have had their funding cut in recent years. But there are also potential dangers when one member of the partnership is seen to contribute more resources (especially cash); this cash/clout problem is discussed more fully below.

ii. holistic approaches

It is not only fiscal and social pressures that are creating the need for new approaches to social well-being. There is a growing sense that bureaucracies and the compartmentalized way in which governments typically address social needs often create more problems than they resolve. Governments are organized to deal with human problems as if these can be segregated into distinct social, health, education and economic categories. Because complex human problems are not readily separated into neat compartments, groups often are refused financing because their project does not meet the designated funding criteria.

Current government structures have little capacity to address problems in holistic and preventive ways. Most public spending is directed towards a component of a particular issue or towards the alleviation of crisis in the form of remedial intervention after a problem has occurred. Partnerships that involve different sectors represent an important step in recognizing the complexities of most social, economic and environmental issues.

iii. shared responsibility

Social partnerships themselves embody a clear and important message: Problems such as unemployment, poverty and family violence are the concern of the entire community – not simply of governments or the social sector. Moreover, all sectors are responsible for addressing these problems – preferably through a planned and coordinated approach that combines resources and expertise in innovative ways.

The business sector, in particular, is a key target. It effectively has created many of the social, economic and environmental problems that various partnerships are trying to address – e.g., large or unexpected layoffs, shifts to part-time work with no associated benefits and hiring policies that allow no flexibility in respect of personal responsibilities, such as young children or sick parents.

The Community Opportunities Development Association (CODA) in the Waterloo Region of Ontario has embarked upon an innovative project to reduce poverty which actively involves the business sector. CODA is a nonprofit agency with a strong record in combating poverty and helping unemployed people find jobs. Under the Opportunities 2000 project, CODA will establish partnerships with a wide range of community groups around initiatives that enhance employability and improve work opportunities for low-income households. CODA also will involve community leaders – including many key employers – in developing a region-wide strategy for poverty reduction.

But Opportunities 2000 has a broader goal: to mobilize the entire community around a vision in which all sectors, organizations and citizens take responsibility for tackling poverty. Opportunities 2000 has set up a Leadership Roundtable which includes business representatives. These leaders will embark upon a high-profile campaign called ‘10 percent by 2000’; its purpose is to encourage local employers to make 10 percent of their new hires from the low-income population in the region. Employers also will be made aware of the impact that layoffs, downsizing and other employment policies have upon the local economy – and ultimately upon the health of their own business.

iv. alternatives to conflict

Partnerships can provide an alternative to conflict. The lessons from the environmental movement are particularly instructive. Some members of that movement have come to recognize the importance of combining collaborative and confrontational approaches and using each approach selectively as required.

There is also growing awareness that environmental protection cannot consist only of a combative strategy. There is a need for collaborative work and dialogue – especially between sectors that typically sit on opposite sides of the table on major environmental, social and economic issues.

The need for dialogue has arisen from the fact that unending conflict is often unproductive. “Conflict has been the strategy of choice for those most concerned with environmental quality and natural resource conservation. Through most of this century, organizations generally found that conflict worked. Today we face environmental gridlock; despite our growing understanding of environmental issues, less and less is being accomplished at increasing cost. We believe that cooperative action, a part of traditional culture abandoned by many in modern societies, will experience a renaissance as we approach our physical and political limits” [Long and Arnold 1995: ix].

Moreover, “partnerships among corporations, nonprofit organizations, communities and agencies do, in fact, represent an emerging strategy for achieving effective and equitable solutions to environmental challenges. When partnerships function well, people preempt potential conflicts, design coherent plans, enhance the state of environmental research and implement on-the-ground projects” [Long and Arnold 1995: ix].

The bad

We identified several major problems in our exploration of partnerships: public sector divestiture, power imbalances and ethical issues.

i. public sector divestiture

Despite the strengths of partnerships, there are many problems that potentially could arise. Social partnerships are not a panacea for solving all community concerns, nor should they be viewed as a replacement for government intervention.

Some observers argue that the growth of partnerships encourages a retreat from the public sector – that if partnerships pick up the slack, then governments will be absolved of their responsibility for human well-being. It would be both dangerous and false to assume that private sector/nonprofit partnerships could ever replace the public role in promoting social, economic and environmental well-being. As earlier noted, the Caledon project is based on the premise that social partnerships are a complement and supplement to – not a replacement for – a strong public sector.

ii. power imbalances

Another concern about partnerships – especially those that involve the private sector – arises from the inordinate power and control that come with the ability to purchase entry into a field under the guise of ‘partnership.’ Many nonprofit organizations question their ability to be equal players with business partners who may wield substantial economic power and political influence.

While this problem cannot be eliminated, it can be mitigated through an approach which recognizes the invaluable contribution of the nonprofit. Nonprofit groups involved in successful partnerships with the private sector attribute their success to the explicit acknowledgment of their own worth.

Nonprofits bring a wealth of resources to a partnership. They can contribute knowledge and understanding of an issue that is important to the business objectives of the company, the community within which the business operates and the company’s employees. Local organizations also can provide knowledge of and access to a geographic community or target group. In fact, knowledge and information are sometimes a more important contribution than money. While funds can be obtained from a variety of sources, knowledge and skills are unique and scarce. Nonprofits often are seen by the public as a trustworthy authority on certain issues.

In short, a partnership does not imply – and never should be construed or constructed as – a buy-out. Rather, it is an arrangement in which the resources of both (all) partners are considered equally valuable.

As noted, concerns about power imbalances are particularly heightened when it comes to education/business partnerships. Corporate logos on textbooks, computer equipment and school events raise the spectre of corporate mind control. Strategic alliances in this area must be embarked upon cautiously and monitored continuously.

iii. ethical issues

Perhaps the most serious problem arises from the view that partnerships involving the private sector are seen by some members of the voluntary sector as a sell-out – the ultimate ‘dance with the devil.’ While we recognize the potential dangers, we also know that ‘working with the enemy’ is one way of getting the private sector to understand the importance of looking beyond the fiscal bottom line. Lack of attention to broader social, economic and environmental issues can be bad for business. If the community is healthy, it will thrive physically, socially and economically. Social problems, such as high unemployment, do not make for a vibrant economy or society.

It is not surprising that the question of conflicting values often comes to the fore – especially with respect to working arrangements between sectors that tend to look at the world through opposite

sides of the telescope. Presumably, a serious clash of values would prevent the formation of a partnership in the first place.

But clashes of interests or values may arise in the course of a working relationship – when all the smiles and handshakes are over and the real business begins. For example, a budgetary measure or social policy reform may be introduced (e.g., workfare) around which partners have opposing views. Or parties may agree to work towards reducing poverty – only to find out later that they had very different views as to how poverty should be defined. Conflict also may arise from power struggles, low trust, loss of focus, lack of leadership or authority, picking the wrong people and in-fighting about the goals and processes [Frank and Smith 1997: 58-59].

The Canadian Women's Foundation has tried to resolve some of these ethical and moral dilemmas by using screens to identify potential partners. Positive screens include employment practices (e.g., equity, good worker relations, safety records), community contribution and loyalty, and philanthropy. Negative screens include support of pornography, exploitive use of women's bodies in advertising and environmental issues (e.g., pollution, product testing on animals and rainforest destruction).

In fact, because of growing public interest in corporate social responsibility, screens have been developed by the social investment movement to help potential investors select businesses with positive social and environmental records. The screens are composed of 90 indicators of corporate performance in ten different areas including employment practices, diversity, community relations, environmental concerns and corporate governance [Walker 1998: 23].

While efforts may be made at the outset to minimize potential problems, it may not be possible for partners to avoid along-the-road clashes. And there certainly may come a time when one or both (all) parties to the arrangement feel that they simply cannot live with the compromises they are being asked – explicitly or implicitly – to accept. It may be best at that point to end the partnership. Negotiation and compromise are important – but not at the price of an organization's fundamental values.

The uncertain

There may be uncertainties with respect to accountability, up-front investment and ongoing investment.

i. accountability

Partnerships can give rise to serious accountability problems. In the past, governments acted as the primary funding source – especially for social projects – and made the rules for the work they supported.

In multisectoral collaborations, however, the needs of the partnership come first. The role of the government, or any partner for that matter, comes second to the needs of the whole. Parties to any collaborative arrangement must shift their thinking from meeting the strict guidelines of a single organization towards responding to the needs of the new entity that they together have created.

A potential problem in working with governments is that their reporting lines tend to be structured, hierarchical and mandate-specific. The strength of partnerships, by contrast, is that they can employ more comprehensive and holistic solutions. They allow parties within the partnership to step outside their narrow mandates and single-sector approaches which often stifle creativity and innovation.

Governments are bound by legislation and are fully accountable for the use of public funds. These accountability requirements become increasingly blurred within the complex nexus of decision-making and lines of authority that can evolve within a partnership. The holistic approach taken by many partnerships and the ‘horizontal’ method of addressing problems contrast directly with the vertical and single-issue reporting typical of most government departments.

It could be argued that these accountability issues are really no different than when government funds a voluntary organization to deliver a service – e.g., the government pays a nonprofit agency to provide homemaker services. The workers are responsible primarily to the voluntary organization’s board of directors. The challenge is to ensure the presence of a representative board which acts as a responsible steward for these public funds. Similarly with partnerships, the main issue is to guarantee that the parties to any collaborative arrangement are responsible and trustworthy organizations that have clear accountability mechanisms, audit procedures, and internal checks and balances.

Sometimes accountability concerns are raised, however, not with respect to the *government* as a funder or partner but around the issue of corporate involvement. A heated debate is under way in Canada as to whether companies are accountable only to their board of directors or have broader accountability to the community and the public more generally [Walker 1998]. The issue typically is framed around whether corporations are answerable to their shareholders or to ‘stakeholders’ who reflect the broader public interest.

One could argue that while companies are primarily responsible to their shareholders in a narrow accountability sense, their involvement in social partnerships makes them more aware of community issues and ultimately more accountable than they otherwise would be. Their improved knowledge of social, economic or environmental problems and their active involvement in these issues can influence positively their internal policies and practices.

ii. up-front investment

There are growing pressures on organizations to work in partnership. Governments and many private foundations are encouraging – if not requiring – groups to set up collaborative arrangements

either as part of a grant request or as a prerequisite for support. Funders increasingly are expecting groups to work in partnership either as a spinoff of the project or even as part of the application process. Applicants must arrive with a partnership arrangement in place – with a deal already made – prior to submitting their proposal. While the expectation may not be compulsory, it nonetheless counts heavily in the funding decision.

The problem with this approach is that groups must invest substantial time and resources in forming a partnership which, at the end of the day, may not be appropriate or feasible. The development of a partnership requires a significant investment of time and resources which is rarely recognized by funders. It may take many meetings with a wide range of organizations before a suitable arrangement is struck. There is neither recognition of the work involved in this process nor compensation for the initial effort. The opportunity cost of seeking suitable partners may be very high.

Uncertainties also can arise from an incomplete or incorrect understanding of a prospective partner's objectives, values or business. In the eagerness to meet an application deadline, strike a deal or take immediate action around a pressing problem, partners may find that they have misread each other or went into the marriage with their eyes closed. They were pressured into a relationship and had to figure out their compatibility later on. There are inherent dangers in the 'shotgun weddings' into which many organizations are now being pushed.

In the video that Caledon produced with six partners, for example, we were anxious to get the first player on board so that we could lever this arrangement to bring in subsequent players. Fortunately, in our case, the relationships turned out to be positive. But they also could have become strained as a result of the pressure to clinch the first deal.

At the end of the day, organizations may feel that the investment in a partnership was not worth the effort. It may become apparent that too much time was spent for too little return. The parties may find, in retrospect, that they are disappointed with the outcome of the collaborative effort or encountered serious problems along the way – possibly because of unrealistic expectations, lack of clarity or unanticipated events that pit the partners squarely on opposite sides of an issue.

At the very least, funders should recognize the up-front investment required to create a successful partnership – possibly by funding the initial exploratory work. The time spent in the establishing a firm foundation will be saved in the long run by increasing the probability of success [Frank and Smith 1997: 13].

Moreover, funders must recognize that the expectation to work in partnership as a condition of funding may be unrealistic. *Partnerships never should be seen as an end in themselves; they are simply a means to achieve a certain goal.*

iii. ongoing investment

To be successful, partnerships require more than vision alone: They need leadership and management skills. Since cooperation can be more challenging than independent action, partnerships should not be considered a trivial undertaking. Problems can arise, for example, if a partnership arrangement is negotiated by an experienced individual and then turned over to inexperienced staff to carry out the work. In this case, ongoing supervision is essential.

Other uncertainties include the fact that there may be unexpected personality problems or personnel changes throughout the course of the relationship. A champion of a certain program or cause may leave, taking the enthusiasm and commitment that were key to the partnership's success. In the case of a partnership with business, in particular, changes in economic conditions can threaten that partner's commitment or involvement. Partners should reserve the right to withdraw from a collaborative arrangement if they are dissatisfied with the way things are working out.

Partners also may have to deal with embarrassing or damaging public relations situations. Several organizations that had pooled their resources into a funding partnership to support local economic development met with the beneficiaries of their financing. The funders wanted to learn how the money had been spent and to hear more about the results of their investment. One funder became angry about a certain project and spoke rudely to a grantee. The other funders in the partnership were embarrassed by this public outburst and had not anticipated or prepared for such a scene. They subsequently developed a code of conduct to which all partners must adhere – or leave the arrangement.

But uncertainties need not always be negative. Often there are unexpected – but positive – spinoffs. The Caledon Institute, for example, has entered into a working arrangement with the Community Opportunities Development Association on the Opportunities 2000 project earlier described. Neither the project nor the collaboration was discussed at the time of our initial partnership on the video, and the new partnership did not evolve until more than a year after completing the film.

The Unknown Journey

The lessons learned with respect to the good, the bad and the uncertain add up to an important message: Partnerships are an unknown journey. There can be many unexpected twists and turns along the way. But partnerships usually succeed if there is clarity of vision and purpose as well as commitment, ongoing communication and clear lines of accountability.

In most cases, the final destination is worth the initial hard work and the great effort it takes to get there. Yet there may be times when the trip has to be shortened or cancelled. In this case, it is best to leave the road – but with a clear explanation as to why it is no longer possible to continue. Ideally, a collegial relationship can remain in place – even though the partnership itself may not.

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